LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY, MAY 6, 2003,** upon the application of **GULF PRODUCTION COMPANY, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **F-3 Zone**, **Reservoir A** and the **Perez Zone**, **Reservoir A**, in the Bastian Bay Field, Plaquemines Parish, Louisiana.

F-3 ZONE, RESERVOIR A

- 1. To dissolve the unit created for the F-3 Zone, Reservoir A, by Office of Conservation Order No. 339-VVV-1, effective October 27, 1998, and simultaneously therewith, to create a revised unit designated F-3 RA SUA, for the exploration for and production of gas and condensate.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To permit the applicant to designate and utilize the Gulf Production Company, Inc. State Lease 14645 No. 2 Well as alternate unit well for the proposed revised F-3 RA SUA; and to permit the operator to produce the unit allowable from the proposed unit well, the proposed alternate unit well, or both wells at its option.
- 4. To provide that any future wells drilled to the F-3 Zone, Reservoir A, should be located in accordance with the spacing provisions of Statewide Order No. 29-E.
- 5. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir changes and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 6. To extend to the proposed revised unit for the F-3 Zone, Reservoir A, all pertinent provisions of Office of Conservation Order Nos. 339-VVV and 339-VVV-1.
- 7. To consider such other matters as may be pertinent.

The F-3 Zone, in the Bastian Bay Field, Plaquemines Parish, Louisiana, was previously defined in Office of Conservation Order No. 339-VVV, effective May 13, 1997.

PEREZ ZONE, RESERVOIR A

- 1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Perez Zone, Reservoir A.
- 2. To create a single drilling and production unit for the Perez Zone, Reservoir A, designated as the PEREZ RA SUA, as shown on the plat submitted with the application.

-8- Page 2

BASTIAN BAY FIELD 03-287 and 03-288

3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created on a surface acreage basis of participation.

- 4. To allow the Commissioner of Conservation to reclassify the reservoir by supplemental order, without the necessity of a public hearing, should the producing characteristics of the reservoir change and evidence to justify reclassification is submitted to and accepted by the Commissioner of Conservation.
- 5. To consider such other matters as may be pertinent.

The Perez Zone, Reservoir A, in the Bastian Bay Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing zone encountered between measured depths of 7,908' (6364' TVD) and 7,976' (6424' TVD) in the Matrix Oil & Gas Company, Inc. - SL 14645 No. 2 Well located in Section 29, Township 20 South, Range 29 East.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 4/2/03;4/5/03 L dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.